The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor concerning to the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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LABOR'S GOAL! To Repeal Taft-Hartley Law

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TAFT-HARTLEY LAW EXPOSED!

By J. ALBERT WOLL and HERBERT S. THATCHER

(Members of the law firm of Padway, Wolf, Thatcher, Glenn and Goldberg serving as general counsel for the American Federation of Labor)

This is the final portion of a series of articles published by the AFL Weekly News Service in refutation of an article appearing in the Saturday Evening Post which praised the Taft-Hartley law to the skies. Author of the Post article was J. Mack Swigert, law partner of Senator Robert A. Taft —enough said.

No. 11—ESTABLISHMENT OF BARGAINING UNITS

Another provision of the act not previously mentioned is further illustrative of our central thesis—that it is the purpose of the framers of the Taft-Hartley Act to reverse the entire national policy of the Wagner Act and to limit rather than promote the collective bargaining process.

One section of the act specifically denies the new board the right to establish bargaining units on the basis of the extent to which organization of a particular employer or a group of employers has been organized into an employer association has progressed. Thus, the task of organizing the unorganized has been made much more difficult than it was under the original Wagner Act. Under the old act, where a single employer had many plants in various localities, or where his employees were widely scattered geographically, the board would require bargaining in a single plant or in smaller units where organization of the entire working force in the employer might be difficult or lengthy. This policy of large or small unit-by-small unit approach to organization was the result of the fact that employers of large employees could be organized, often the only way in which employers of the last unit was organized before the first could achieve bargaining rights, it often happened that employers in the first unit became discouraged and gave up the struggle. The Taft-Hartley Act denies this fact of industrial life, with consequent inevitable harm to attempts to organize large employers.

Conclusion

There are numerous other objectionable provisions in the act, and it would require an article of double the size of this one to discuss properly all the ramifications of this very complex and lengthy piece of legislation. What has been discussed, however, is sufficient, we believe, to indicate, that while the so-called "privileges" which apologists for the act claim have been bestowed upon workers are really of little consequence, the rights of labor which are so encompassed by objectionable conditions or regulations as to be worse than nothing; and second, that the Taft-Hartley Act is in fact constituted a complete reversal of national labor and economic policy as expressed both in the Norris-LaGuardia Act and the Wagner Act.

Certainly, to summarize what has been previously stated, the denial of the principle of political aid and activities contained in the so-called ban on "political contribution" by extending this prohibition against the union shop, the "closed shop" and jurisdictional strikes and boycotts, the denial of the union-security principle contained in the prohibitions against the union shop and similar provisions; the union shop, the return to the era of "government by injunction" by opening the door to labor injunctions to be obtained by the board, the weakening of the principle of employer unfair practices, the encouragement given to the discontinuance of existing bargaining relationships by the device of decertification elections; unemployment benefits, the disenfranchisement of the striker, the way in which organization of the unorganized has been made more difficult through abolishment of the multi-unit organization principle, the discouragement of bona fide collective bargaining by specifically prescribing that the parties must make a concession, the encouragement of court litigation to replace bargaining and conciliation, and the unfair jeopardizing of union treasuries through making union liable for acts of their various "agents" even though these acts were not authorized or ratified, and finally, the setting up of the new order under the Taft-Hartley Act by making it as difficult as possible for unions to engage in political activity to elect its friends and defeat its enemies—all support the basic charge that the act reverses national labor and economic policy.

The law (1) seeks to discourage rather than encourage the formation of trade unions by driving every possible wedge between workers and labor organizations; (2) seeks to discourage rather than to encourage the growth of free collective bargaining, and (3) foregoes reliance on a strong trade union movement as a means, through free collective bargaining, both of settling labor-management difficulties and of insuring the high level of purchasing power necessary to make our productive economy function.

It is impossible for anyone to state that the Taft-Hartley Act is a trade union law, that he favors bona fide collective bargaining, and at the same time that he ascribes to the purposes and objectives of the Taft-Hartley Act. None of the above mentioned provisions could have been enacted by a Congress which truly was interested in the establishment and maintenance of a strong trade union movement as the most effective means of disposing, through the free and equal processes of collective bargaining, the problems which inevitably confront not only the employe-employer relationship but the functioning of a capitalist economy in a free society.

The more one studies and contemplates the effect of the act the more one is impressed with the fact that a weakening of the trade union movement and the abridgment of the collective bargaining process is inevitable, indeed, was intended. It is small wonder, then, that organized labor has unanimously raised its voice in strenuous protest over the Taft-Hartley law and all that it implies. Never was the free trade union movement of this country so much endangered.

MacGowan Denounces Taft-Hartley Law As 'Worst Legislation' Ever Enacted

Kansas City.—Denouncing the "weasel-worded" provisions of the Taft-Hartley law, Charles J. MacGowan, member of the AFL Executive Council and president of the Brotherhood of Boiler Makers, launched a campaign against the legislation.

Mr. MacGowan, acknowledged to be one of labor's best orators, prepared for his analysis of the law in plain, simple language as opposed to legal jargon employed by many lawyers and attorneys. In a two-fisted speech delivered in Phoenix, Arizona, Mr. Gowan declared:

"This measure thing is the worst legislation ever enacted by an American Congress. The public has been hoodwinked, the decent employer has been victimized, members of trade unions have been gagged, bound hand and foot, then told they are free as a bird."

Among other counts he leveled against the act, Mr. MacGowan said:

"It repudiates the sacred American principle that all citizens are equal before the law, in that it makes secondary boycotts unlawful when those guilty of workers whose only offense is that they support union cards.

"Workers are debased politically and forbidden to use union funds to carry their case to the bar of public opinion, probably in the fear that an enlightened people may vote to retire their seats in Congress those who favored the Slavery Attacks Bill of Rights.

"The law substitutes the hatred injunction and the Federal courtroom for the give-and-take bargaining atmosphere of the conference room.

"While depriving labor of featherbedding by the workers, the law begs a great featherbedding industrialists for lawyers.

"Under the new duties added to the National Labor Relations Board, the act has established that a board of 500, instead of just five, would be necessary to relieve labor and render prompt decisions in the thousands of cases that will accumulate, and we will be fortunate to secure a board of five years after adoption of a case.

"The law has become an incubator of Communism in which is being hatched a brood of political vipers worse than all the agents of Red Russia could convert in a hundred years."

GOVERNMENT REPORTS $1½ BILLION SURPLUS

Washington, D. C.—The Government rolled up a surplus of $1,658,000,000 in the first half of the current fiscal year, during which officials expect revenue to exceed spending by the greatest margin in history.

The surplus on Dec. 31 was reflected in the treasury report. It contrasted sharply with a deficit of $20,907,000 in the first half of the previous fiscal year.

Government analysts estimated that prospective heavy tax collections would increase the surplus to about $6,000,000,000 and perhaps $7,000,000,000 by the end of this fiscal year on June 30. The biggest surplus recorded in a full year was the $1,186,000,000 under the Coolidge Administration in 1927.

Wagner-Ellender-Taft Bill Favored By Large Majority of City, State Officials

Washington, D. C.—Enactment of the Wagner-Ellender-Taft long-range housing bill, endorsed by the AFL, is favored by a large majority of city and state officials, according to an announcement by Senator Robert F. Wagner of New York.

The Senator's statement was contained in a letter he sent to Representative Ralph A. Gamble of New York, chairman of the Joint Committee on Housing, in which he summarized the results of a nation-wide poll which he conducted.

Senator Wagner's survey, made at the request of Mr. Gamble, is being compiled on the basis of questionnaires answered by more than 500 public officials and others connected with the housing problem.

Detailed analysis of the findings are still being prepared, but the Senator said he thought the committee might welcome "general observations on the nature of replies thus far received."

The Senator reported that 9 out of 10 stated that private enterprise "could not now or in the foreseeable future provide decent housing, new or old, for low income families occupying slums." Dissents, he said, were "almost among groups directly connected with private home-building and finance."

Every Governor and every Mayor of a city of more than 50,000 population was polled, and answers from those quarters almost unanimously indicated that federal aid was essential to low-cost housing programs and that states, with rare exception, could provide little more than local real estate tax revenue.

In some answers from municipal officers, the Senator said, he was advised that health and juvenile delinquency problems had been alleviated through low-cost public-housing projects, with a parallel reduction in the cost of city services. These officers agreed that improving rural real estate values had increased.

Representatives Arthur G. Klein, Democrat, of New York, announced recently that he would introduce a new bill to exempt disability payments received under the Social Security program of income for eligibility to obtain public housing.

He noted that the law limited such accommodations to families whose net income at the time of admission does not exceed five times the rental, including the value or cost to them of heat, light, water and cooking fuel. The only exception is in the case of a family with two or more dependents, where a six-to-one ratio is permitted.

These provisions, Mr. Klein said, have "a definite handicap to those who most need help and to whom the country owes most."

McComb Urges 75-Cent Minimum Wage; Reveals Shocking Violations of the Law

Washington, D. C.—Recommendations for a 75-cent minimum hourly minimum wage level and a revelation of the shocking violations by employers of the Wage-Hour law highlighted the 12th annual report of the agency submitted by William R. McComb, Administrator of the Wage-Hour and Public Contracts Divisions of the Labor Department.

"Fundamentally a peacetime statute," the Wage and Hour Law's importance as a factor in maintaining economic well-being is "now beginning to be fully realized," the report emphasizes. However, the administrator says, despite the new order under the Taft-Hartley Act by making it as difficult as possible for unions to engage in political activity to elect its friends and defeat its enemies—all support the basic charge that the act reverses national labor and economic policy.

tion and Labor. These call for increasing the minimum wage level to the present 40-cents-an-hour level to 75 cents, a proposal which he said would mean that more than $18,000,000 in illegal wage withholdings would be paid to each of the 1,705,600 employees at the industry committee level. Violations of the overtime provisions of the two laws were also frequent, according to the report, although it also was revealed that some 27,000 employers had been paid less than the Wage Hour minimum standards of 40 cents an hour at some time during the period covered by the inspections.

Unemployment Tax Revision Hit; Would Destroy Federal-State System

Washington, D. C.—Representative John D. Dingell of Michigan declared that the proposal to amend the Unemployment Tax Act to provide for a 100 percent credit in effect to the Federal tax "would quickly destroy the whole Federal-state system of unemployment compensation and the public employment service system" of the nation.

Mr. Dingell's statement, made before the Special Tax and Fiscal Committee of the Governor's Conference here, supported the stand taken by the American Federation of Labor officials and by the AFL convention of last October.

"I am compelled to voice my opposition," Representative Dingell said, "to any such move which, in my estimation, would defeat the purpose of unemployment compensation systems set up under the Social Security Act—and at the same time would destroy the effectiveness of the public employment service."

"This proposal, which as early as June 1946 was recommended by the Chamber of Commerce of Massachusetts in testimony before the House Ways and Means Committee, provides that control of the unemployment compensation and the public employment services be turned over lock, stock, and barrel to the 51 states and territories.

"Analysis of the effect of relinquishing the Federal interest in the 10 percent of the Federal unemployment tax, which among other things is used for the administrative expenses of the state unemployment compensation laws, clearly indicates that the Federal government would be cut off from the right to insure employment compensation systems to meet the minimum standards of administration now specified in Title III of the Social Security Act, and of the Federal Unemployment Tax Act."

AFL President William Green congratulated Representative Dingell for the stand he took and pledged the wholehearted support of the AFL in any fight he may be engaged in in Congress. He said in a letter to Mr. Dingell:

"Your statement clarifies the real issues involved in the unemployment tax proposal. As you well know, the AFL has always been interested in providing insurance against loss of wages by unemployment, and it was the Federal government taking the lead through the enactment of the Social Security Act of 1935 that stimulated the states to follow suit.

"It is significant that the same interests which are now seeking destruction of the Federal statute so bitterly in 1935 are now taking the lead in this drive to undermine Federal standards. The forces today do not dare to oppose openly the benefits of our Social Security Act as they resort to fiscal devices and legalistic trickery."

FREY HONORED BY WAR MERIT AWARD

Washington, D. C.—John P. Frey, president of the AFL's Metal Trades Department, was awarded the President's Certificate of Merit by Secretary of the Navy John L. Sullivan.

The certificate was in recognition of Mr. Frey's services on the Navy Department's Industrial Mobilization Committee and was said to be largely responsible for recruiting, training and stabilization of skilled labor for the critical naval and merchant shipbuilding and ship repair industries, particularly in Pacific Coast shipyards.

POLITICAL EDUCATION IS AFL RADIO TOPIC

Washington, D. C.—Topic for discussion on the AFL's broadcast, the half-hour AFL radio program, the Labor Reporter, will be "Is American people Need More Political Education?"

Participants in the round-table discussion will include Senator Robert A. Taft, Republican of Utah, Bert Andrews, chief of the Washington Bureau of the New York Herald-Tribune, Fred Delliquadri of the National Grange, and Philip Pearl, the AFL's director of publicity.

The program is broadcast over the nation-wide network of the National Broadcasting Company each Sunday from 1-1:30 p.m. Consult your local newspapers for the exact time of the broadcast in your community.

Plans For Hemispheric Group Mapped At Labor Conference

Proposed Organization To Champion Rights Of Free Labor

Lima, Peru. — Representatives of labor organizations from 17 nations in the Western Hemisphere opened the Inter-American Labor Conference called for the purpose of establishing a new Inter-American Federation of Labor.

While final action had not been taken as this issue went to press, it appeared that the new International labor organization, designed to supplant the Communist-controlled Latin-American Labor Confederation, would soon become a reality.

The United States delegation consisted of Philip Hannah, former Assistant Secretary of Labor, Frank Lloyd, and Serafino Romualdi, both of the American Federation of Labor; Jack Jewell, of the Railway Labor Executives Association; and Roy Brown, representing the International Association of Machinists.

The Communist delegation from the U. S. delegation is reported to favor an indirect approach to the problem. Members of the group said there was a difference of opinion between them and the Latin-Americans "as to the part of Communism, and whether the difference on what constituted the best tactics to combat it."

The proposed principles for the organization, it was learned, state that the federation will work independently of all "state, foreign and sectarian practices." The draft constituent on eligibility to the first executive committee ought to ordinarily be internationally the autonomy of the labor movement within any country ought to be recognized.

Philip Hannah, spokesman for the U. S. delegation, addressed the opening session of the conference. He affirmed the delegation's strong opposition to "the policies of those American corporations or any other foreign-owned or nationally-owned industrial corporations that exploit their workers, that take out from the country all or a great part of their profits."

Any measures tending to correct such abuses would have the United States group's full support, he added, citing last month's AFL memorandum to a United Nations subcommittee recommending that steps be taken to curb the "extensive flow of profits abroad."

Mr. Hannah told the Latin Americans that United States labor had plenty of troubles of its own. The Taft-Hartley law is a crucial example, he added, declaring that it is a vicious repeal. United States labor was "fighting side by side" with Latin-American trade-union rights all over the Americas.

Mr. Hannah listed the over-all goal of the conference as "the welfare of the Americans, as follows:

"We want democratic inter-American unionism, not Communism; we want better living and working conditions for the workers of the entire hemisphere, the Western Hemisphere; we want the advancement of social justice and the protection of the rights of labor; we want economic progress fostered and extended.

"We want to see in our own time the four freedoms of the Atlantic Charter become a reality; we want to see our America, the New World, become a true Christian civilization."

President Asks $39.6 Billion Budget; $554,000,000 for New Social Measures

Washington, D. C.—President Truman asked Congress for 39.6 billion to finance the activities of the Federal Government for the next fiscal year.

Included in this sum was an estimated $554,000,000 to underwrite the President's recommended expansion of social activities of special interest to labor.

The President's general justification for these proposed expenditures was his belief that "each of these proposed new and expanded programs has been most carefully weighed."

"Failure to adopt a program of health insurance," he said, "would mean that many families will continue to receive inadequate medical care. Failure to broaden the coverage of present social insurance and to increase benefits on a permanent basis would mean too much reliance upon relief, whereas more reliance on insurance is clearly desirable.

"Failure to adopt a long-range housing program would further postpone delay in achieving decent housing standards."

The President added that "all these proposed programs would make a fruitful objective of building economic and individual strength and health in this nation and of better preparing this nation to discharge its increased responsibilities in the world today and tomorrow."

The President praised the existing social security programs of the Government, saying they constituted a successful framework within which a system to protect all citizens against major economic hazards might now be constructed. He said that he would recommend in time for reflection in the appropriations for the fiscal year 1949 were the following:

Extension of old-age and survivors' insurance to all gainful workers, including agricultural and domestic employees, farmers, and self-employed persons, along with the increase of individual benefits to the maximum amounts now authorized.

A national system of health insurance and improved services for public health and medical care.

Extension of unemployment compensation to cover employees of small firms.

Broadening Federal aid to include general assistance, with Federal grants allotted to states in relation to their financial resources and needs.

"Other proposals, such as temporary disability insurance and insurance benefits, would not affect estimates for the next year 1949," the message said.

The health insurance program would be initially financed, according to the President, by a payroll tax of not more than one half of one percent on wages up to the first $4,800-a-year of salary. The tax on employers and employees would be indicated. It was proposed that this rate continue a while to build up a reserve and to provide experience tables.

Stable Price-Wage Balance Seen Nation's Great Need

Washington, D. C.—Secretary of Labor Louis B. Schwellenbach declared the greatest need for the individual worker and for the nation's economy is to bring about a stable balance between prices and wages.

Secretary Schwellenbach's statement was included in his 85th annual report, which he submitted to the President.

Discussing the subject of the "real" earnings of American workers, the Secretary declared that although the average factory worker's gross weekly pay rose from $43.23 in June, 1946, to $49.33 in June, 1947, it brought him less in goods and services at the end of the year than at the beginning."

This statement by the Secretary of Labor is even more significant in view of the fact that prices have been mounting steadily since June, 1947, and have been at the most catastrophic rate since the end of the war. The unbalance has become even greater, therefore, than during the period covered by the Secretary's report which terminated in June, 1947.

"In marked contrast with the preceding year, labor-management relations during the year 1947 were characterized for the most part by the peaceful negotiation of union contracts and the avoidance of large scale work stoppages," the report declared.

It also points out that measured on the basis of estimated total working time, the days lost at clerks or other disputes during 1947 were relatively well under 1 percent.

Attributing labor peace to free bargaining, the Secretary emphasized that "perhaps the most significant single factor in the resumption of more peaceful and stable relationships between labor and management, following the turbulent reconversion period, was the restoration of normal peacetime bargaining practices based on the usual processes of collective bargaining."

The report also discusses the significant contributions of the Department of Labor in the high-level production of civilian goods, and to a wider understanding of the real impact of the price-wage relationship on our economy and on the everyday practices of the nation'ta wage earners.

Frey Hits Navy's Wage-Setting Policy; Charges Labor Denied Representation

Washington, D. C.—John P. Frey, president of the Metal Trades Department, criticized the Navy Department's practice of setting wages recently in the establishment of wage rates for the Navy's civilian, skilled mechanics and helpers employed in navy yards.

In a statement sent to Secretary of the Navy John L. Sullivan and other top officers in the department, Mr. Frey declared the recent wage adjustment made by the Navy is inconsistent, unrealistic and "wholly unjustified." The result, he charged, is an "unbalance of wages for the same classification of labor as between the various navy yards."

This, Mr. Frey said, "has undermined the confidence of navy yard employes, a confidence which it is necessary for the management of navy yards are to continue to attract the highly skilled workmen required."

Mr. Frey was especially critical of the Navy's action in abolishing the Navy Review Board, an agency on which labor had been represented. He said:

"In doing this the Navy Department eliminated navy yard labor's opportunity to appeal to any body for representation, at a time when other large departments of the government employing civilian workmen had established permanent joint committees giving to labor the right to representation and participation in the discussion and consideration of wage rates.

"The present policy of the Navy Department on the question of labor's right to an adequate voice in the comparability of wage data, is a reactionary and so obsolete as to antedate the war ships of 1862. To abolish labor representation after it had been in existence since 1921 was to move backward and this action was an arbitrary as it was bureaucratic, unsound and impractical.

"The present unrealistic and autocratic attitude of the Navy Department, is unacceptable to free American workmen, who long ago won their right in private industry and in numerous governmental departments employing civilian mechanics, to have an adequate voice in the discussion and consideration of their terms of employment and conditions of labor.

"The American Navy, under the Navy Department, is now by far the most efficient in the world. It is forward looking, progressive and constructive. It should be big enough to recognize that it cannot afford to go back to the period of wooden war ships and to the days of the present day industrial relations policy."

ASSOCIATED PRESS SIGNS PACT WITH TELEGRAPHERS

New York.—Extension of a contract covering wages and working conditions was signed by the Associated Press and the Associated Press System Division of the Commercial Telegraphers Union (AFL).

The contract, signed on the 10th anniversary of the first contract between the AP and the CTU, will remain in effect from last January 1, to January 22, 1949. Provisions of the contract were not announced.

Toledano Ousted By Mexican Labor

Mexico City—A dispatch to the New York Times reported the expulsion of Vicente Lombardo Toledano from the Mexican Federation of Labor, which he founded in 1936.

Toledano, at the conference of free trade unions in Lima, Peru, in 1947, withdrew from the Inter-American Federation of Labor, the new organization being sponsored by and dominated by AFL officials. The Mexican labor boss also was the leader of the ill-fated William Green as the No. 1 Communist enemy in the Western hemisphere.

The news dispatch said Toledano's expulsion came about as a result of attempts to sway the Mexican labor organization away from the pro-democratic labor movement to support a new "people's party which he is organizing."

The expulsion of interest in labor circles is the effect of Toledano's action in his own country upon his position in world labor organizations. What is significant is the loss of his positions of influence in the International Confederation of Labor, World Federation of Trade Unions, of which he is a vice-president, and the Latin American Labor Confederation which he founded.

Action by these international bodies is expected to deprive him of supporters of free trade unions throughout the world.

VA EXPENDITURES TOP $7 BILLION DURING YEAR

Washington, D. C.—The Veterans Administration spent over $7 billion during the fiscal year ending last June 30, more than 12 times the prewar rate, Administrator Carl R. Gray informed Congress.

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AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

SUPPLEMENT

WILLIAM GREEN, President | WASHINGTON, D. C., FRIDAY, JANUARY 16, 1948 | GEORGE MEANY, Secretary-Treasurer

LABOR'S GOAL! To Repeal Taft-Hartley Law

AFL General Counsel Clarifies Question On Validity of Union Security Clauses

Washington, D. C.—As a matter of information to local and international unions concerned about the effect of the Taft-Hartley Act on their closed-shop or union-security agreements, the office of the General Counsel of the American Federation of Labor has clarified a statement appearing in AFL Bulletin No. 1 on the Taft-Hartley Act.

In connection with the statement in that bulletin that closed-shop or union-security agreements entered into prior to June 23, 1947, were valid for their full term, even though such term might be a number of years, it was also stated that union-security agreements renewed or extended, "automatically or otherwise," after August 22, 1947, would not be valid unless the requirements of the Taft-Hartley Act were complied with. The legal department advised that the use of the word "automatically" required an explanation and qualification as follows: Not every and all type of automatic renewal clause brings the Taft-Hartley Act into operation. Only an automatic renewal clause under which provides that the contract automatically continues from year to year unless terminated or terminated upon giving of the prescribed notice.

Many contracts provide not only that they can be amended, not terminated, and even will be renewed (but, however, related to union security) they automatically continue. In such a case, a continuing obligation has been created, and the provision in the Taft-Hartley Act permitting closed-shop or union-security agreements entered into prior to June 23, 1947, would apply. Even in respect to automatic renewal clauses permitting termination as well as amendment, the law is uncertain.

There are no decisions as yet in point under the Taft-Hartley Act, but there are such decisions under other laws supporting both the point of view that in the absence of notice, the renewal or closed-shop clause would continue in existence. Therefore, the effect of any type of automatic renewal clause which provides that there is an open one and cannot be finally terminated except until a party involving this issue has been decided by the federal courts.

$2.36 Food Bill Now $5.18; Wholesale Prices Go Higher

New York City.—Current prices for ten major food items in markets here are nearly 2.2 times greater than they were in 1939, and there is no sign of price relief on the horizon.

A survey conducted by Eugene G. Schultz, New York City Markets Commissioner, showed that $5.18 is now required to buy the ten items which cost $2.36 back in 1939. The comparison in prices was made at the request of consumer organizations, Mr. Schultz said.

The comparison between 1939 and current prices follows:

Item	1939 Price	1948 Price
Butter, 1 lb.	32c	97c
Milk, 1 qt.	10c	21c
Bread	10c (18 oz.)	16c (16 oz.)
Large white eggs (Grade A, 1 doz.)	40c	85c
Pork chops, 1 lb. (center cut)	29c	79c
Porterhouse steak, 1 lb.	45c	91c
Fowl, per lb. (3½ lb. size bird)	29c	75c
Potatoes, 1 lb.	2c	6c
Lettuce, 48-size head	10c	25c
Coffee, 1 lb.	21c	87c

Meanwhile in Washington the Bureau of Labor Statistics had more bad news for consumers. Wholesale prices, the BLS said, continued their upward surge for the tenth straight week. Over this period wholesale prices have soomed by 4.5 percent to a point 17.5 percent above the corresponding week a year ago and only about 2 percent below the all-time levels reached in 1920.

The effect of all this, as every housewife knows, will be another gouge out of the family budget already shrunken by gouges and chunks torn out by rising prices of the last few weeks and months.

The extent of this income depletion for the average family was told in another Labor Department finding which shows the effect upon "real" wages of the inflationary spiral.

Average gross earnings of factory workers, the department said, amount to approximately $51 a week. To arrive at this weekly wage, the department deducted taxes and deflated the total by the rise in living costs since 1939.

On that basis, the $51 shrivels to $26.45 for a single worker with no dependents, a drop of 48 percent. A married worker with three dependents does somewhat better because of lower taxes. His $51 equals $29.77 in 1939 dollars, a drop of 41 percent.

That's a decline of $4 to $5 a week, measured in 1939 purchasing power, below the value of workers' "take-home" pay in 1939, the peak wartime year when price controls prevailed. No wonder workers find it hard to make ends meet!

Book On Hatters Union Praises Its Progressivism

New York.—The United Hatters, Cap and Millinery Workers International Union is the subject of a book just published by the Dial Press. The volume is called "Spotlight on a Union" and was written by Donald B. Robinson, a former New York newspaperman specializing in labor affairs.

"Spotlight on a Union" traces the history of the Hatters Union from its earliest days down through the Danbury Hatters case. The Danbury Hatters case, the fight to eliminate Communists after World War I and down to the present. The story is told in an authoritative and highly interesting way.

Robinson makes clear his conviction that the Hatters Union is one of the most progressive labor organizations in the land. Its positive labor program, the union for having "evolved a philosophy of human and industrial relations worthy of careful attention by all who study labor."

The story of the Danbury Hatters case, in which the union and individual members were fined guilty of violating the Sherman Act, even though that law was intended to apply against giant corporations and not against workers, is told in detail. So many years after the event, that story still makes absorbing reading, and it contains a warning of what could easily happen again if the enemies of labor are permitted to control the judicial and legislative branches of our government.

"Spotlight on a Union" is also highly interesting when it deals with the fight of Max Zaritsky, president of the United Hatters, and his democratic-minded fellow officers against the Communists. After World War I the Communists recognized and went under that name. American trade unions were to be infiltrated and captured for communism. Hats on the list of intended victims for the Reds.

The Communists made good progress in a number of locals, but Zaritsky and his associates, assisted by the bulk of the rank and file membership, succeeded in the end in driving the Communists out. The methods employed against the Communists by the United Hatters merit the attention of any organization, whether labor or any other kind, which may find itself confronted by an attack from the followers of Stalin.

Zaritsky is quoted in the book as saying:

"Our union will not tolerate the subversive, divided loyalties of Communists whose fealty is never to the union, to its welfare or purposes but always to a foreign political party and country. We will not compromise principles."

Robinson devotes considerable space to showing how the harmonious relationships with the employers in the industry which have been developed over the years have benefited both the workers and the employers. For the workers, the benefits have been higher wages and better working conditions; for the employers, more production and higher profits.

"Spotlight on a Union" also highlights the fight of the Hatters against prison labor, mercury poisoning and other health problems which in the industry were confronted in former years. In connection with the prison labor fight, Robinson shows that the unions of the hatters were almost without exception unsympathetic to the plight of the workers whose jobs were wiped out by the unfair competition of prison labor.

This new book is an excellent addition to the growing literature of trade unionism.

Petrillo Acquitted In Test of Lea Act; Attorney Sees 'Death' of Law In Decision

Chicago.—James C. Petrillo, president of the American Federation of Musicians, was acquitted of the government's criminal charges that he violated the Lea Act prohibiting compulsion of staff musicians by broadcasters to hire more persons than are needed "to perform actual services."

Judge Luther Bohanon, who rendered by Federal Judge Walter J. Lindley, Daniel B. Carmel, attorney for Mr. Petrillo, declared:

"The effect of this [government] suit that the Lea Act is dead, and that, if in good faith, the union wants to require its employers to hire more musicians, and not have any standbys, and wants them to perform actual services, it is not a violation of the Lea Act."

Judge Lafferty found the government had failed to prove its case.

His verdict brought to an end a persecution which the government bore more than a year ago. The government cannot appeal the decision in the face of a finding of fact against it.

The government had alleged that Petrillo, also president of the Chicago Federation of Musicians, had the right to compel broadcasters, WAAF, Chicago, to hire three superfluously unneeded musicians in addition to three already on its staff as a condition for renewal of its broadcasting license.

The three record librarians were called out on strike by Mr. Petrillo on May 29, 1946, when the station declined to hire three more musicians in addition to the 16 staff musicians with his request.

Judge Lafferty's opinion included findings that the withdrawal of the three musicians under the terms of their individual contracts with the station would be a breach of a contract between the AFM and WAAF. Such breach, Judge Lafferty said, in fact itself; that no coercion on the station never took place as was alleged; that the demand to hire additional musicians was not "coercive" because no performers not doing work or rather than as standbys, did not constitute the "featherbedding," extortion or the like; and that the union was not bound to believe that the proposed three record librarians were not needed, while knowledge on his part that there was no basis in fact for the establishment of the offense alleged.

The court found also that, in the absence of contrary evidence, Petrillo, also president of the Chicago Federation of Musicians, had the right to compel broadcasters, WAAF, Chicago, to hire three superfluously unneeded musicians in addition to three already on its staff as a condition for renewal of its broadcasting license.

Productivity of American Workers Reported Far Greater Than British

New York City.—Studies comparing American factory methods with those employed in Great Britain show that productivity per American worker greatly exceeds that of his British counterpart, according to an announcement of the National Industrial Conference Board.

The findings, conducted by 8 British "working party" committees sent to this country to inquire into worker productivity in the cotton textile, boot and shoe, electrical, furniture, and wood industries.

In the cotton textile industry as a whole, it was found, the American worker "produced twice as much per hour." With "normal" staffing, British output per man hour was found to be less than American by about 10-40 percent in spinning, 60-85 percent in winding, 79-89 percent in weaving, and 56-67 percent in weaving.

In a shoe factory as a whole, output per operative was from 50-90 percent higher in the United States. On individual operations, the difference was greater.

Non-Farm Employment At Record High; Total Jobs Down As Farming Slacks Off

Washington, D. C.—Employment in nonagricultural pursuits increased to a record high of almost 51,000,000 in December, the Bureau of the Census reported.

The December total exceeded the November employment figure by 400,000, according to the bureau's estimates.

But, the bureau said, total employment shrank to a little below 58,000,000, a net decline of 600,000 because the usual winter slack in farming reduced agricultural workers by about 1,000,000.

Much of the increase in nonfarm employment resulted also from temporary hiring for the holiday season. Nevertheless, total employment was 1,037,000 above December, 1946.

Employment in factories, stores and service lines was 1,935,000 greater, but the number at work on the nation's farms was 948,000 lower.

Meanwhile, the number of unemployed in December rose 22,000 over November to a total of 1,642,000. This was 477,000 below a year ago.

Besides the 57,947,000 civilian workers there were 1,285,000 in the armed forces, making the total engaged in work for pay or profit 59,227,000.

Truman Warns On Inflation; Renews Bid For New Controls

Asks Action to Avoid Destructive Forces Of Depression

Washington, D. C.—President Truman repeated his warning of the dangers of runaway inflation and called upon Congress to take action to ward off an impending recession.

In his annual economic report to Congress, the President renewed his request for authority to impose controls over selected segments of the country's economy, arguing that his program would require only a few years but would be necessary if a depression engulfed the nation.

"When an inflation is in progress," he said, "there is no way of predicting when it will break of its own accord. The one thing we can be certain that, if permitted to run its own course, it will bring on the inevitable crash.

"Whatever its character, if a depression occurs, it will be far more costly in human welfare and will involve the government in far more positive intervention in the economic life of the country than the measures which are necessary to prevent it.

"I therefore urge that the Congress consider with the utmost speed the type of action which will be the most to meet and adopt the measures that will accomplish the desired end."

Mr. Truman's "objectives for 1948," which are as follows:

1. Enact the 7 points of his 10-point program which Congress failed to approve during its recent session. These are: Price controls; restraints on business and consumer credit; increased production; reallocation of scarce commodities; authority for rationing and price controls, and extension and strengthening of rent controls.

The three points passed by Congress and authorized the President to extend certain export and allocation controls, and industry to make voluntary allocation and inventory agreements and arrangements for limiting speculative commodity trading.

2. Maintain maximum employment, achieve maximum production, and adjust the price-income structure so as to stop the inflationary spiral without production cutbacks or extensive unemployment."

3. "Establish firmer foundations for the long-range growth and prosperity of our economy in the years ahead."

On the subject of profits, Mr. Truman declared:

"Profits were substantially above the 1946 level, and remained high through the year as increased costs were covered, and as prices were exceeded, by higher prices. Corporate profits after taxes were 19 billion dollars, contrasted with 21 billion in 1944, the peak wartime year, and 12 billion dollars, compared with 12.5 billion in 1946."

As for wages, the Chief Executive declared that increases were largely the cost of living, although the ground rules under which increases surpassed wages were in 1946 and not repeated. He also said "workers had not ground ahead of the cost of living throughout the last half of 1946" and beginning of 1947. This condition was now being corrected, he said, and called for further wage advances, Mr. Truman declared.

Schwellenbach Supports Price Curb Bill; Sees Wage Increases Unless Action Taken

Washington, D. C.—Secretary of Labor Lewis B. Schwellenbach urged Congress to approve President Truman's request for authority to impose price and wage controls in selected areas of the nation's economy.

In testimony before the Senate Banking and Currency Committee he expressed the belief that labor cannot be expected to refrain from seeking wage increases unless it is "given some real assurance that price rises will be checked."

Mr. Schwellenbach said "real" wages have been increasing power as a yardstick, had been "in pursuit" of rising living costs since mid-1945. But price increases of the last two years have proved "the futility of wage increases that are eaten up by price rises."

Still, he implicitly endorsed further wage increases regardless of what action Congress might take on price controls.

"Only to the extent that we are able to control prices will there be grounds for calling on labor to limit its wage demands," he said, according to amounts necessary to compensate for increases in the cost of living since the present wage levels were negotiated last year."

The Secretary said he was hopeful that the "vast majority" of wage negotiations, as well as those involving price, could be dealt with by purely voluntary methods if the reserve power to use compulsion were granted to the Administration.

The Administration's bill, he pointed out, would not require the imposition of wage ceilings in all industries where price controls were established. He said it would permit rises in prices if the controlled commodities to compensate for wage increases in the industries producing them.

However, he pointed out, such wage increases would not have to be passed along "intact" in the form of higher prices, since the resulting increase in production would help to offset some of the criteria which the department administering prices must consider.

The bill, introduced by Senator Allen J. Ellender, Democrat, Louisiana, minority leader, was prepared by Mr. Schwellenbach, W. Averell Harriman, Secretary of Commerce; Clinton P. Anderson, Secretary of Agriculture, and Julius A. Krug, Secretary of the Interior.

AFL Local Spurs European Relief Drive; Sends 1st Ton of Food to Workers Abroad

New York City.—The 8,000 members of Local 302 of the AFL's Cafeteria Employes Union launched a campaign to raise $15,000 for the CARE food packages for shipment and distribution to trade unionists and their families overseas.

William Messevich, president of the union, whose members see New Yorkers consume tons of food daily, turned over to Paul C. French, executive director of CARE, the first installment of this fund. The check for $1,100 which represents the amount raised so far purchased 110 CARE packages amounting to nearly a ton of food.

These initial orders were consigned to trade union leaders in France (90 packages), Italy (20), Greece (20) and Poland (20), who will distribute the food to the needy members of their membership. Each CARE food package contains enough food to supplement the diet of an entire family for a month.

In view of the acute winter needs in Europe, Local 302 decided to speed aid immediately instead of waiting until collecting of the entire $15,000 had been completed. This plan will be continued, with orders being placed as the funds are contributed.

The local's campaign carries out the AFL policy established at the inception of CARE two years ago. Since that time the Federation's Labor League for Human Rights, one of the 37 member agencies of CARE, has sent upwards of 30,000 CARE packages to European trade unionists.

Individuals may use CARE, a non-profit, government-approved service to send food, clothing, relief packages in 14 European countries. Because of the standard of living, CARE now offers Eire food, British food, fuel, fuel oil, clothing, shoes, woolen, household linen, knitting wool, layette and baby set relief food packages. Each may be ordered for $10 from CARE, 50 Broad St., New York 4, N. Y.

Delivery is guaranteed in Austria, Belgium, Bulgaria, Czechoslovakia, Finland, France, Germany (British Zone), Greece, Hungary, Italy, Netherlands, Poland and Germany (American French and British Zones and all Berlin).

New Inter-American Labor Body Set Up; Meany Named to Unit's Executive Board

Lima, Peru.—The Inter-American Labor Confederation came into being here with the approval of delegates representing trade union organizations from 11 nations of the Western Hemisphere.

Final action in the establishment of the new international labor organization was taken by the 150 delegates at the closing session of the 4-day meeting when they voted unanimously a final organization to the Communist-influenced Latin-American Workers' Confederation.

Delegates chose Luis Morones Prieto to serve as the president of the CIAT which will have its headquarters here.

The constitution of the Peruvian delegation to the conference were named to the organization's executive board. They are George Meany, secretary-treasurer of the American Federation of Labor, and Bert Jewell, representing the Railway Labor Executives Association.

Serafino Romualdi, representive of the International Ladies Garment Workers Union and the AFL's Latin-American expert, was selected as one of the secretaries for the next two years.

Following the closing of the general conference, the executive board met and decided to hold the next meeting of the CIAT in San Francisco on June 15.

The board agreed, according to reports, to back a proposal for an international meeting to seek a new world labor body to replace the old Federation of Trade Unions. It was also decided that the new CIAT would affiliate with the International Transport Workers' Federation and the International Metal Workers' Federation.

A highlight of the final session was the refutation by the conference of a statement issued by Lombardo Toledano of Mexico that the AFL had given financial support to one of the delegations attending the sessions. A special committee appointed by the chair to baseless and its report was adopted overwhelmingly by the delegates.

The formation of the new confederation was personally approved by President Truman, United States, Mexico, El Salvador, Costa Rica, Colombia, Peru, Brazil, Chile, Bolivia, Cuba, Bolivia and Puerto Rico. The Dominican Republic was also considered to vote also for Canada and Panama. Uruguay also approved.

Building Outlay for 1947 Hit $15 Billion; BLS Predicts Greater Activity for 1948

Washington, D. C.—Total building expenditures for 1947 reached almost $15,000,000,000 and broke all records for construction spending, the Bureau of Labor Statistics reported.

For 1948, the BLS forecast even greater activity which will exceed the dollar value of 1947 construction by nearly $200,000,000.

The dollar value of construction work in 1947, including minor building repairs, was 28 percent higher than in 1946, and more than the 1945 expenditures by 6 percent. However, the busy war year 1943 still holds the record for employment in the building industry.

Despite the high dollar volume, physical volume of new construction was only 7 percent over 1946 figures.

An average of 1,733,000 persons were employed in 1947, with a peak of 1,904,000 reached in September.

Unlike 1947, when there was a slight dip in construction activity in the spring, the year just starting is expected by BLS to move steadily toward new marks.

"Approximately $150,000 workers will be employed by construction contractors next September, another peak month of construction activity in 1948," the bureau said.

As a result of unprecedented demand, easing of credit for home construction, and greater availability of materials and labor, private builders poured close to $5 billion into new nonfarm housing in 1947, 55 percent more than in 1946. The dollar volume of work put in place was 22 percent greater than in 1941, when 1,000,000 units were started.

After a spring with the usual construction advanced rapidly in the summer months, reaching a peak. The record expenditures of $883 million failed by 20 percent to equal the unusually large dollar volume for 1946. Despite the record volume of 1947, industrial construction expenditures for the year ($1.7 billion) were at practically the 1946 peacetime high.

Next to housing, the largest gain in privately financed work occurred in commercial building, $1,733,000,000 ties. Expenditures in this category announced $1.3 billion, a rise of 30 percent above 1946.

The $1 billion spent for public construction in 1947 was the largest amount recorded for any year. Federal, state, and local construction projects during the year progressively increase over the year (more than 2½ times between the school building) but highway and road construction accounted for the greatest dollar volume—40 percent of all public construction spent during 1947.

STATE AID TO LOCALITIES UP 91.4% SINCE 1936

Albany, N. Y.—State aid to localities increased 91.4 percent or $179,900,000 since 1936, the Citizens Public Expenditure Survey declared.

The private taxpayer organization, in an analysis of comparative general fund expenditures for state aid and local assistance; said that education, general local assistance and social welfare were the "big three" recipients of state aid in 1936 as at present.

The "big three," the survey reported, accounted for $178,100,650 of the $196,700,000 returned to localities in 1936 and for $350,200,000 of the $376,600,000 distributed in 1947.

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OPERATING ENGINEERS MAKE CONTRACT GAINS

Chicago.—The AFL's International Union of Operating Engineers signed a new 2-year contract with breweries here providing for pay increases for union members of 20 cents an hour for the first year and 10 cents an hour for the second year.

The increase will lift hourly rates for $2 and $2.10 an hour for the first and second contract years, respectively.

In addition to the wage boost, the contract grants a week's vacation with pay and provides for double time for jobs performed on any of the six specified holidays.

WOMEN PLAYING GREATER PART IN WORLD AFFAIRS

Washington, D. C.—The Women's Bureau of the Labor Department reported that women representing them as full delegates at the San Francisco United Nations Conference, while 26 of the 50 nations present sent women in some capacity.

In the League of Nations, it pointed out by contrast, no women was a full delegate until 1929, and during the entire 25 years of the league's history only 8 nations sent women delegates.

EXPERT SEES T-H LAW STEP TOWARD FEDERAL CONTROL

Chicago.—The Taft-Hartley law may be the first step toward rigid government control of every phase of labor-management relations, warned Edwin E. Witte, head of the economic department of the University of Wisconsin, he said:

"The act is only beginning to take effect. Its provision to draft the procedures to be followed in collective bargaining and to enforce the prohibitions legislate flat for terms already at stipulated for renewal of bargaining.

"Further government interference in labor relations will stop with the Taft-Hartley Act is doubtful."

The Right to VOTE Is Your Priceless Heritage

Don't Fail to Use It

NOTE TO EDITORS

Mats for the above and for two similar cuts are being mailed to you with this edition as an extra service provided by the American Federation of Labor.

These "handy reminders" are designed for use by the labor press and it is recommended that they be run in all editions during the coming months.